

Date: September 18, 2012
To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Donald F. Greeley, Director, Water Management
Jerry F. Morrone, Utility Engineering Supervisor
Subject: Southern Reinforcing Main Phase IIA Project

Executive Summary

On August 30, 2012, bids were opened for the Southern Reinforcing Main Phase IIA Project. The project consists of installing approximately 7,900 linear feet of 30" diameter water transmission main, beginning at the Ellis Road Elevated Water Storage Tank near the intersection of Ellis Road and Angier Avenue and ending at the intersection of Glover Road and Angier Avenue. This project is the first phase of the installation of a 30" diameter line that connects the existing Ellis tank to the Angier Avenue Elevated Water Storage Tank currently under construction at the intersection of Angier Avenue and Miami Boulevard. The installation of this main was identified in a City-wide hydraulic analysis, performed in 2002, with subsequent updates. The Department recommends that the City of Durham award this project to Sullivan Eastern, Inc, of Durham, North Carolina in the amount of their bid of \$2,993,576.50. The Department is also recommending a contingency fund (~10%) be established for the construction.

Recommendations

The Department of Water Management recommends that the City Council:

1. Authorize the City Manager to execute a contract with Sullivan Eastern, Inc, for the Southern Reinforcing Main Phase IIA Project for an amount of \$2,993,576.50; and
2. Establish a contingency fund for the contract in the amount of \$306,423.50; and
3. Authorize the City Manager to negotiate change orders for the contract provided that the cost of all change orders does not exceed \$306,423.50 and the total project cost does not exceed \$3,300,000.00.

Background

The City of Durham Department of Water Management owns and operates several elevated storage tanks throughout the City's service area. Elevated storage tanks are critical to providing reliable water service to the City of Durham's customers by maintaining an even distribution of pressure across the City's service area, providing storage of water for use in fighting fires and allowing for the pressurization of the water distribution system during off-peak hours. To properly function, elevated storage tanks typically require a dedicated large diameter water transmission main be directly connected to the tank. This transmission main allows the tank to be filled quickly, efficiently and permits a more direct connection to the distribution system.

The proposed Southern Reinforcing Main Phase II project will establish a transmission main between two of the City's elevated storage tanks. The proposed transmission main will connect the Ellis Road

tank to the new Angier Avenue tank currently under construction. For ease of construction, the transmission main project has been separated into two phases, Phase IIA and Phase IIB. The proposed route of the Phase IIA transmission main will parallel the Ellis Road Right of Way (ROW) south from the existing Ellis Road EST before turning east away from the Ellis Road ROW and following a cross-country alignment east. The transmission main will eventually turn south and enter the Glover Road ROW before finishing at the intersection of Glover Road and Angier Avenue. Phase IIB (not in this contract) will pick up where Phase IIA left off at the intersection of Glover Road and Angier Avenue and parallel the Angier Avenue ROW east to the intersection of Angier Avenue and Miami Boulevard.

Issues and Analysis

Below is a summary of the eight bids received. The Department and its consultant analyzed the bid information submitted and all but one bidder were deemed 'responsive'.

JF Wilkerson Contracting Co, Inc.*	\$2,919,483.00	
Sullivan Eastern, Inc.	\$2,993,576.50	Lowest responsible/responsive bid
DeVere Construction Company, Inc	\$3,262,866.50	
Park Construction Company	\$3,472,313.00	
Moffat Pipe, Inc	\$3,561,026.50	
SJ Louis Construction, Inc	\$3,745,570.50	
TA Loving Company	\$5,291,651.50	

*JF Wilkerson Contracting Co, Inc did not include a Bid Bond with their bid (required of all bidders), and as a result the Department considers their bid non-responsive and recommends against award of the project to JF Wilkerson.

The Department and its consultant performed a due diligence investigation on the three lowest bidders to determine the most responsible and responsive bidder. Based on this investigation, the Department recommends Award to Sullivan Eastern, Inc.

Alternatives

An alternative would be to not install the first phase of the reinforcing main. This would result in an adequate water supply to the Angier Avenue tank being partially unavailable, and the Angier tank being unable to function as designed.

Financial Impacts

Funds for this project are available in the Capital Improvements Program, Southern Reinforcing Main Phase II Project, in the following accounts:

4100P762 731000 P071B	\$2,993,576.50
4100P762 731900 P071B	\$ 306,423.50

SDBE Summary

The Equal Opportunity/Equity Assurance Department reviewed the bid submitted by Sullivan Eastern, Durham, NC and have determined that they are in compliance with the Ordinance to Promote Equal Business Opportunities in City of Durham contracting.

SDBE REQUIREMENTS

Firm	ID	City/State	Amount	% of Contract
Calamar	WSDBE	Durham, NC	\$ 10,000	.32%
Bailey Contracting	MSDBE	Cary, NC	\$100,000	3.2 %
Certified Concrete	WSDBE	Raleigh, NC	\$ 15,000	.48%
Stay Alert	WSDBE	Kernersville, NC	\$ 10,000	.32%

The goals for this project were: 3% M/SDBE and 1 % W/SDBE. Sullivan Eastern attained a participation rate of: 3.2% MSDBE and 1.12% WSDBE.

Workforce Statistics

Workforce statistics for Sullivan Eastern are as follows:

Total Employment	62	
Total Females	3	5%
Total Males	59	85%
Black Males	8	13%
White Males	21	34%
Other Males	30	48%
Black Females	0	.0%
White Females	3	5%
Other Females	0	0%